

Message Text

LIMITED OFFICIAL USE

PAGE 01 ACCRA 05186 181712Z

46

ACTION AF-18

INFO OCT-01 ISO-00 EB-11 SSO-00 INRE-00 CAB-09 CIAE-00

COME-00 DODE-00 DOTE-00 INR-11 NSAE-00 RSC-01 FAA-00

L-03 DRC-01 /055 W

----- 059364

O 181654Z SEP 74

FM AMEMBASSY ACCRA

TO SECSTATE WASHDC NIACT IMMEDIATE 4983

LIMITED OFFICIAL USE ACCRA 5186

EO 11652 NA

TAGS: EAIR GH

SUB: CIVAIR: TAX PRESSURE ON PANAM

REF: ACCRA 5152

1. PANAM REP MILLER TOLD EMBOFFS SEPT 18 THAT HE HAD HAD INTERVIEW WITH COMMISSIONER OF INCOME TAX (TURKSON). MILLER SAID HIS NOTES QUOTE COMMISSIONER TO EFFECT THAT PANAM'S TAX EXEMPTION BASED ON "ASSUMPTION THAT GHANA AIRWAYS COULD OPERATE TO THE U.S. AT ANY TIME." COMMISSIONER SAID FURTHER THAT IF GHANA AIRWAYS HAD PERMIT TO OPERATE TO U.S. BUT DID NOT RPT NOT EXERCISE SAME, THEN PANAM WOULD IN COMMISSIONER'S OPINION BE EXEMPT FROM GHANA TAX ON BASIS RECIPROCITY. THE COMMISSIONER REPORTEDLY REQUIRES RECIPROCITY ON BASIS AIR ROUTE FOR AIR ROUTE, AND DISTINGUISHES BETWEEN RECIPROCITY FOR SHIP VERSUS AIR CARRIERS. (COMMENT: EMBASSY READING OF GHANA LEGISLATION MAKES NO DISTINCTION BETWEEN TYPES OF CARRIERS.) COMMISSIONER TOLD MILLER THAT GOG PREPARED TO TAKE CASE TO COURT, IF NECESSARY.

2. MILLER UNABLE AT PRESENT ESTIMATE WHAT PANAM'S GHANA INCOME TAX LIABILITY MIGHT BE, BUT ESTIMATES COMPANY COULD BE BILLED FOR AT LEAST DOLS, 175,000 FOR TURNOVER TAX ALONE FOR
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ACCRA 05186 181712Z

PERIOD SINCE 1946-47 TAX YEAR.

3. COMMENT: MILLER RETURNING US THURSDAY NINETEENTH FOR URGENT CONSULTATIONS PANAM. HE APPEARS UNDER IMPRESSION PANAM'S TROUBLES WILL EVAPORATE IF AGREEMENT ON RECIPROCITY REACHED. WE BELIEVE, HOWEVER, THIS MAY BE SOMEWHAT TOO OPTIMISTIC ASSESSMENT OF SITUATION, WHICH NOW MAY REPEAT MAY HAVE REACHED POINT WHERE EVEN BILATERAL WOULD NOT PREVENT PURSUIT OF TAX CLAIM. (WE DOUBT PANAM COULD WIN CASE IN GHANAIAI COURT.) IF AGREEMENT NOT REPEAT NOT FORTHCOMING, COULD MEAN WHOPPING ASSESSMENT AGAINST PANAM FOLLWED BY SUSPENSION OF SERVICE TO GHANA. MOREOVER, ATTENDANT PUBLICITY COULD GIVE IDEAS TO OTHER WEST AFRICAN COUNTRIES NOT ENJOYING RECIPROCITY.
HANSON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CIVIL AVIATION, TAX RELIEF, TAX PRIVILEGES, AIR ROUTES
Control Number: n/a
Copy: SINGLE
Draft Date: 18 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: cunninfx
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ACCRA05186
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740261-0924
From: ACCRA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740937/aaaabeyk.tel
Line Count: 74
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: ACCRA 5152
Review Action: RELEASED, APPROVED
Review Authority: cunninfx
Review Comment: n/a
Review Content Flags:
Review Date: 28 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 AUG 2002 by shawdg>; APPROVED <03 MAR 2003 by cunninfx>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CIVAIR: TAX PRESSURE ON PANAM
TAGS: EAIR, GH, PAN AM
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005